

CITY OF PALM COAST

FY 2002 BUDGET

DEPARTMENT **PUBLIC WORKS**
DIVISION Fleet Management Fund (Internal Services Fund)
PROJECT(S)

PROGRAM MISSION

The purpose of this fund is to establish a fund to cover fleet replacement costs, fleet maintenance costs and the Fuel Depot operation costs.

PROGRAM ANALYSIS

Fleet Replacement:

During FY2001, the City of Palm Coast began to build a fleet replacement reserve through the General Fund Non-Departmental allocation of \$227,673. During FY2002, the City of Palm Coast will budget an additional General Fund Non-Departmental allocation of \$142,758, as well as implement a Fleet Replacement Allocation formula citywide, based on the number of units per department.

The Fleet Allocation formula is derived by setting an accepted usage life for each vehicle or piece of equipment and a replacement value. The replacement value is calculated by adding a 3% increase in cost per year of life times the original cost. Once that is determined, the remaining years of service based on purchase date is divided into the replacement cost to determine the annual fleet allocation formula for a given piece of equipment or vehicle. The Fleet Allocation formula for FY2002 will generate \$246,572 for the fund.

Total calculated replacement value in FY2002 of all City owned equipment and vehicles (including FY2002) requests is \$3,321,325.

The Fleet Replacement allocation formula results in the following allocations by Department:

Department/Division	Vehicle/Equipment Total	Fleet Maintenance Allocation
Recreation & Parks	1	\$1,499
Fire	13	\$115,125
Public Works	42	\$118,419
Dev Services/Code	5	\$7,031
Dev Services/Engineering	3	\$4,497
TOTAL	64	\$246,572

The balance of the fund after the recommended utilization of \$270,000 for replacement of vehicles and equipment in FY2002 will be \$431,747 or 13% of the total replacement value of all city fleet.

Fleet Maintenance:

During FY2001, Fleet Maintenance was budgeted in the Public Works Department. While Public Works Administration still has responsibility for the operation of the Fleet Maintenance Division, it will be budgeted in the Internal Services Fund and

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operating costs for Fleet Maintenance will be allocated back to departments on a per unit basis.

During FY2002, the bulk of the Fleet Maintenance work will be contracted out, in particular regularly scheduled maintenance work such as oil changes, tire rotations etc. Maintenance of Fire Equipment will continue to be primarily budgeted in the Fire Department and the responsibility for the bulk of the maintenance of Fire Equipment will remain with the Fire Department. Fire will pay its share of the Fleet Maintenance allocation for the support received from that department which includes use of the facility for repair of vehicles. The one mechanic assigned to this Division will maintain Public Works equipment.

The Fleet Maintenance allocation formula results in the following allocations by Department:

Department/Division	Vehicle/Equipment Total	Fleet Maintenance Allocation
Recreation & Parks	1	\$1,844
Fire	13	\$23,970
Public Works	42	\$77,442
Dev Services/Code	5	\$9,219
Dev Services/Engineering	3	\$5,532
TOTAL	64	\$118,007

Fuel Reserve:

The Public Works Department operates the Fuel Depot. Sources of revenue for this expense are the internal services allocation and purchases by other entities such as the Sheriff's Department and the Humane Society. Fuel costs are determined by previous year usage with a percentage increase to account for potential increases in fuel costs. Given the volatility of the fuel market during FY2001, a 10% increase was allowed for potential fuel costs in FY2002 for the purposes of calculating both internal services allocation and external usage.

The Fuel Allocation formula results in the following allocations by Department:

Department/Division	Vehicle/Equipment Total	Fleet Maintenance Allocation
Recreation & Parks	1	\$1,812
Fire	13	\$14,400
Public Works	42	\$30,000
Dev Services/Code	5	\$9,060
Dev Services/Engineering	3	\$5,436
TOTAL	64	\$60,708

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EXPENDITURES	Revised Budget 2001	Actual Budget 2001	Requested Budget 2002	Recommended Budget 2002	Adopted Budget 2002
Salary & Wages	\$ 6,203	\$ 3,101	\$ 26,564	\$ 26,564	\$ 26,564
FICA Taxes	\$ 431	\$ 215	\$ 1,647	\$ 1,647	\$ 1,647
Medicare			\$ 385	\$ 385	\$ 385
Retirement	\$ 739	\$ 370	\$ 2,391	\$ 2,391	\$ 2,391
Health Insurance	\$ 1,079	\$ 784	\$ 4,037	\$ 4,037	\$ 5,314
Dental Insurance	\$ 39	\$ 19			
125 Benefit	\$ 127	\$ 63			
Life Insurance	\$ 20	\$ 10	\$ 141	\$ 141	\$ 73
Disability			\$ 150	\$ 150	\$ 155
Worker's Comp	\$ 547	\$ 274	\$ 2,502	\$ 2,502	\$ 1,498
Personnel	\$ 9,184	\$ 4,838	\$ 37,817	\$ 37,817	\$ 38,027
Other Contractual	\$ 521	\$ 196	\$ 290	\$ 290	\$ 290
Travel			\$ 150	\$ 150	\$ 150
Employee Train.			\$ 150	\$ 150	\$ 150
Water			\$ 200	\$ 200	\$ 200
Waste Disposal			\$ 1,350	\$ 1,350	\$ 1,350
Auto Maintenance			\$ 750	\$ 750	\$ 750
Repair/Maintenance	\$ 15,324	\$ 12,005	\$ 20,000	\$ 20,000	\$ 20,000
Office Supplies			\$ 50	\$ 50	\$ 50
Postage			\$ 50	\$ 50	\$ 50
Software			\$ 200	\$ 200	\$ 200
Operating Supplies	\$ 49,909	\$ 50,577	\$ 55,000	\$ 55,000	\$ 55,000
Fuel Depot	\$ 122,787	\$ 109,180	\$ 192,562	\$ 192,562	\$ 192,562
Fuel Allocation			\$ 2,000	\$ 2,000	\$ 2,000
Fleet Replacement			\$ 270,100	\$ 270,100	\$ 270,100
Fleet Reserve					\$ 346,903
Operating	\$ 188,541	\$ 171,959	\$ 542,852	\$ 542,852	\$ 889,755
TOTAL	\$ 197,726	\$ 176,796	\$ 580,669	\$ 580,669	\$ 927,782

REVENUES	Revised Budget 2001	Actual Budget 2001	Requested Budget 2002	Recommended Budget 2002	Adopted Budget 2002
Fuel Charge			\$131,854	\$131,854	\$131,854
Appropriated Fund Balance			\$227,673	\$227,673	\$227,673
Fleet Replacement Transfer			\$389,330	\$389,330	\$389,540
Fleet Maintenance Transfer			\$118,007	\$118,007	\$118,007
Fuel Allocation Transfer			\$ 60,708	\$ 60,708	\$ 60,708
General Fund	\$197,726	\$176,796			
TOTAL	\$197,726	\$176,796	\$927,572	\$927,572	\$927,782

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PERSONNEL	Revised Budget 2001	Actual Budget 2001	Requested Budget 2002	Recommended Budget 2002	Adopted Budget 2002
Salary					
Hourly FT	1	1	1	1	1
TOTAL	1	1	1	1	1

OBJECTIVES

1. Establish a sufficient reserve to meet all costs related to Fuel Depot operations and purchase of fuel.
2. Assess effectiveness of out sourcing fleet maintenance.
3. Develop fleet maintenance schedule for all City owned equipment.
4. Reach a reserved fund level to meet all City equipment and vehicle replacement needs within three to five years.

PROGRAM INDICATORS

**2001
Actual 2002
Projected**

Number of field calls made by mechanic per week.	Yes
Flats changed/or other tire related calls per week.	Yes
Parts runs made per week.	Yes
Minor maintenance jobs performed per month.	Yes
Reserve Fund meets needs of current year replacement.	Yes

